

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 18920 061200Z

46

ACTION EB-07

INFO OCT-01 EA-07 ISO-00 COME-00 TRSE-00 CIAE-00 DODE-00

DOT-00 FMC-01 INR-07 NSAE-00 SAL-01 CG-00 DLOS-06

OES-06 AID-05 AGRE-00 OMB-01 L-03 /045 W

----- 012388

R 061010Z DEC 76

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 3590

LIMITED OFFICIAL USE MANILA 18920

E.O. 11652: NA

TAGS: EWWT, RP

SUBJECT: SHIPPING: GOP DRAFT DECREE TO AMEND PD 894

REF: STATE 287875

1. ACTING E/C COUNSELOR MADE LOW KEY APPROACH ALONG LINES SHIPPERS COUNCIL DAKILA FONACIER WHO IS ALSO ASSISTANT SECRETARY OF TRADE. SUBJECT WAS ALSO DISCUSSED WITH DFA ASSISTANT SECRETARY FOR ECONOMIC AFFAIRS PABLO SUAREZ WHO RAISED IT HIMSELF DURING A CALL ON ANOTHER MATTER BY THE ACTING E/C COUNSELOR. NEDA DEPUTY DIRECTOR MANUEL ALBA HAS BEEN UNAVAILABLE BECAUSE OF ILLNESS.

2. BOTH FONACIER AND SUAREZ STATED THAT PD 894 IS NOT BEING IMPLEMENTED AND THEY WISH TO AVOID ANY CONFRONTATION BETWEEN THE GOP AND USG ON THIS MATTER. THEY TOOK NOTE OF OUR ARGUMENT IN FAVOR OF AN EXIMBANK-TYPE OF FLAG PREFERENCE AND PROMISED TO FIND AN AMENDATORY SOLUTION SATISFACTORY TO THE USG.

3. WE HAVE CHECKED WITH LOCAL REPRESENTATIVES OF AMERICAN PRESIDENT LINNES UNITED STATES LINES, SEA-LAND, AND FAR EASTERN FREIGHT CONFERENCE, ALL OF WHOM REPORT THAT THEY HAVE SEEN NO NEW EVIDENCE OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 18920 061200Z

APPLICATION OF PD 894. THEY REPORTED THAT OCCASIONAL

CASES OF FLAG PREFERENCE REQUIREMENTS INVOLVED COTTON AND TOBACCO SHIPMENTS. SEA-LAND REPRESENTATIVE BOB SMITH STATED HE HAD NOTHING FURTHER TO ADD SINCE HIS LETTER OF LAST SUMMER.

4. ON THE OTHER HAND, NORTHWEST REPRESENTATIVE STATES THAT LOCAL SHIPPERS, PRINCIPALLY GARMENT MAKERS, ARE BEING PERSUADED TO USE PAL WITH PD 894 BEING CITED. HE WAS ASKED TO GATHER EVIDENCE AND PRESENT IT IN LETTER TO EMBASSY.

5. FINALLY, WE NOTE RECENT \$62 MILLION CCC CREDIT FOR THE PHILIPPINES IN FISCAL 1976. WE UNDERSTAND THAT CCC CREDIT PROGRAM IS COMMERCIAL IN NATURE AND SHIPMENTS THEREUNDER ASRE NOT SUBJECT TO U.S. FLAG PREFERENCE. ON OTHER HAND, DBP HAS TREATED RELENDING OF CCC CREDITS AS DBP FINANCING OF IMPORTS AND HAS REQUIRED USE OF PHILIPPINE FLAG VESSELS. THIS IS AT ROOT OF MOST OF THE CASES ABOUT WHICH U.S. SHIPPING LINES HAVE BEEN COMPLAINING. WE WOULD APPRECIATE DEPARTMENT'S VIEWS AND GUIDANCE ON HOW TO APPROACH THIS PROBLEM.
SULLIVAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARINE TRANSPORTATION, LAW
Control Number: n/a
Copy: SINGLE
Draft Date: 06 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MANILA18920
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760450-0272
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761270/aaaacihj.tel
Line Count: 83
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 STATE 287875
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 02 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <02 JUN 2004 by buchant0>; APPROVED <30 SEP 2004 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SHIPPING: GOP DRAFT DECREE TO AMEND PD 894
TAGS: EWWT, RP
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006